



Focus on Fleet

Winter-Spring 2007

A publication of the SC Budget and Control Board
General Services Division
Office of State Fleet Management

There's no such thing as Government money — there is only Taxpayer money.

From the State Fleet Manager

State Fleet Management (SFM) has existed for over 30 years as a governmental unit. Many of the processes we use as we conduct our business each day have evolved over time versus being planned out.

Until recently, SFM has not conducted a self examination to verify that the routine processes we use are really the best way to accomplish our daily tasks. To remedy that situation, SFM undertook a full-scale Process Review across all teams. Every Thursday for eight months, various SFM work groups met with a review panel made up of Internal Audit staff and select management personnel to study our processes to determine if we are operating at optimal efficiency.

During each session SFM employees mapped out and discussed their routine processes in an attempt to improve efficiency and eliminate redundancy. We also invited a few of our customers to attend these meetings to gather their insights on how our processes impact their agencies.

The goal is to work smarter and in harmony with our customers. This experience has helped us recognize those issues and

situations that needed to be corrected in order to improve our service.

It has also led us to venture into new territory with the Commercial Vendor Repair Program, making the service available after hours for the first time. This program, referred to as the SFM ESP (Emergency Services Program), will make it easier on State drivers whose cars need service after normal business hours.

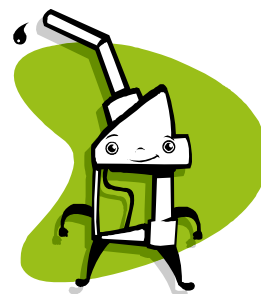
We have already started to see positive results from some of the changes we have made. The end result of all of this is a better understanding of what actually happens as we work to serve you, our customer.

We believe that if our employees have a better understanding of how our processes fit together and flow, we will be better able to meet your needs now and into the future.

Special thanks to all those who helped State Fleet on this project.

...As always, we at SFM appreciate your continued support.

— Jeff McCormack
State Fleet Manager



Save Fuel

Tips for boosting fuel efficiency

In light of soaring gasoline prices, now is a good time to remind drivers of the simple steps they can take to increase fuel efficiency. The federal government makes the following recommendations.

- **Drive sensibly.** Aggressive driving (sudden acceleration and braking) wastes gas.
- **Comply with the posted speed limit.** Fuel mileage tends to fall rapidly at speeds above 60 mph.
- **Remove excess weight.** Don't use your trunk as a storage locker.
- **Avoid excessive idling.** Sometimes it's better to plan a route that avoids left turns that require a lot of waiting.
- **Use cruise control.**
- **Keep your vehicle properly maintained and tuned.** A poorly tuned car can use more than 25 percent more fuel.
- **Check your tire pressure regularly.**
- **Combine tasks into one trip.**

—From Automotive Fleet E-News

Inside Focus on Fleet:

- Winthrop University gets new fleet
- GPS device available for rental at SFM Motor Pool
- Answers to questions on the AFV rebate
- New ADA buses arrive; SFM to test four different models

Automotive Technician Training

State Fleet Management is soliciting information from you in reference to any training that you deem necessary for your automotive repair technicians.

Vehicle Systems are built with more and more complex electronic systems. Technical training enables the technicians to perform repairs with greater skill and less chance of errors and will improve their ability to service vehicles "right the first time".

Training will be coordinated as needed or required with automotive manufacturers' or other sources as soon as your requirements are known.

Please let Eleese Portee know your training needs. You can reach Ms. Portee at (803) 737-1605 or send E-mail to EPortee@gs.sc.gov.

National Safety Month

The National Safety Council has designated June 2007 as "National Safety Month." The theme for this year's observance is *Celebrating Safe Communities*. Each week of June has a separate emphasis: 4-8 June for *Workplace Safety*, 18-22 June for *Emergency Preparedness*, and 25-29 June for *Safety in the Home and Community*.

State Fleet would like to remind everyone that the second full week in June (11-15 June) is **Driving Safety Week**.



Save Money on Fuel Bills

Can your agency pay a bill electronically within ten days of receipt? If so, you may be able to save nearly a penny per gallon on your fuel bill every month.

State Fleet Management has negotiated a new discount program to help offset rising fuel costs. Any current or new account holder under the State Fuel Program that successfully processes the monthly Mansfield Oil invoice within 10 days of receipt will receive a credit invoice for all fuel purchased to apply to the next invoice. The discount is based on a percentage and will vary somewhat with the changing cost

of fuel, but it currently comes out between \$0.0075 and \$0.01 per gallon.

In order to meet this net 10 day payment deadline, agencies must be capable of receiving invoices via E-mail and making payments via electronic funds transfer (EFT). This program is already in place, ready to use, and should be simple for most State agencies.

Contact Rob Malpass at State Fleet Management at 803-737-1611 or fuelcard@gs.sc.gov for more information or to sign up for this discount program.

New System on the Horizon

State Fleet Management is seeking input on a new Management Information System to replace its legacy system, the South Carolina Equipment Management Information System (SCEMIS). Deployed for the first time in 1993, SCEMIS initially served its purpose well, but it requires constant tinkering to cope with changes in policy and circumstance. Because of the limitations of the design, it does not provide some key

program amenities that today's users need to fulfill their mission.

State Fleet has looked into several commercial off-the-shelf products and has also investigated some custom software vendors, as well as taking a thorough look at the DHEC system. We will be happy to receive additional input from State agencies about what they want in a new system, especially some things that SCEMIS cannot provide, such as a print preview, printing to file, and printing to a printer attached to the user's machine rather than connected to the mainframe.

Pursuit of the project has already been approved by senior management, and it is now in full swing. Budget and Control Board Information Services (formerly part of the General Services Division) is working to publish a Request for Proposals very soon.

If you have any questions about the new fleet management information system, contact Jonathan Eason at (803) 737-1239 or E-mail JEason@gs.sc.gov.

South Carolina State Budget and Control Board

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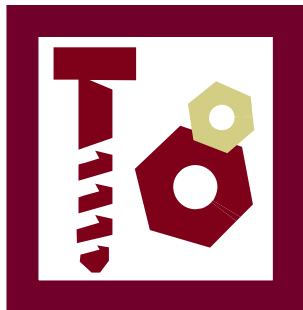
Jonathan Eason, *Editor*

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Visit State Fleet on the Web at <http://www.fleet.sc.gov>.

No Statewide Term Contract for Parts

The State Procurement Office has decided not to establish or administer a statewide term contract for auto and light truck parts. They concluded that the previous contract was only marginally effective.



They also said, “Unfortunately, when taking into consideration all of the factors impacting the State’s needs and the existing market conditions, we have been unable to identify an effective alternative approach to establish and administer a statewide term contract for auto and light truck parts.”

The State Procurement Office has developed a guideline document for use of Purchasing Cards or Blanket Purchase Agreements (BPAs) to procure repair parts. The guidelines will consider feedback from customers, procurement managers, audit and certification staff, and fleet management personnel.

Please go to the Materials Management Office website <http://www.mmo.sc.gov/MMO/spo/MMO-state-contracts.phtm> to review the recommended procedures.

FAQ: Alternative Fuel Vehicle Sales Tax Rebates

Q: Can I get a Sales Tax Rebate for my State Fleet Management Lease vehicle?

A: No. You can only get rebates for vehicles your agency has **purchased**. State Fleet purchased all those lease vehicles.

Q: How do I qualify for an AFV Sales Tax Rebate?

A: Your agency must have purchased an Alternative Fuel Vehicle (a flex-fuel vehicle, hybrid gas-electric vehicle or hydrogen fuel-cell vehicle) between July 1, 2006 and June 30, 2007 to qualify.

Q: Will State Fleet handle the paperwork for me to get a rebate?

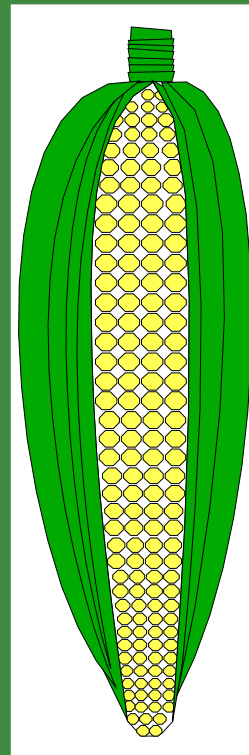
A: Yes. Because State Fleet Management handles the purchase of most State-owned vehicles, we already have the necessary documents on hand.

Q: What information do I need to provide for State Fleet to apply for my rebate?

A: A legible copy of the vendor invoice for each vehicle, showing that the vehicle was received or paid for on or after July 1, 2006.

Q: What if I need more information?

A: If you have questions about the rebates themselves, call Marguerite Gibson at 803-737-1508. For questions about the form, call Jonathan Eason at 803-737-1239.



SFM Motor Pool Upgrade

The State Fleet Management Motor Pool has recently replaced five of its Intermediate Sedans with new Chevrolet Impalas. One example of the new model is pictured at left. The first Impalas arrived in April 2007.

Feedback from drivers who have rented these vehicles has been very positive, to say the least. While only five Impalas have arrived so far, more are expected any day. Eventually a total of 38 Impalas will be assigned to the Motor Pool



New Bumper Sticker for State Vehicles

The bumper sticker shown above will be placed on all state vehicles inspected at the Boston Ave. Lot. The sticker is designed to advertise the State Internet portal to our citizens as a place for information about the services provided by State Government.

This sticker is only an enhancement to State vehicles. It does not replace the transparent decal which has been affixed to the rear windshields of State cars for over seven years. Customers will begin seeing the bumper stickers on new arrivals very soon.

CVRP Phone System

New system allows technicians to handle multiple calls

When State Fleet Management moved to its new quarters in March 2006, the Commercial Vendor Repair Program underwent a number of adjustments, including learning to use its new telephone system.

The new system, supplied by the Budget and Control Board Division of the Chief Information Officer, is more automated than the previous system.

Today, when CVRP procurement specialists arrive for work, they sign into the new phone system. This tells the system how many operators are available. The system then directs incoming calls to the next available specialist.

The main difference between the old system and the new: "It's a lot quieter than it used to be," says James Allen, a long-time procurement specialist in the CVRP. "Before, every phone in the CVRP would ring when a call came in. Now the system takes it and sends it to an individual, so only that one person's phone rings."

An operator can handle two calls at any given time – either one active and one on hold, or both on hold. The new situation allows a better division of labor among resources, since the system knows who is available for another call.



Management also benefits from the features of the new system. It keeps detailed records of how many minutes each operator has been available, how many calls they took, and how many minutes the operator has been on calls.

The new phone system is one more way State Fleet is seeking to improve customer service.

CVRP Procurement Specialist Brandi Smith helps a customer.

New Fleet at Winthrop

(cont. from page 5)

down, while the old ones frequently had to report to sick bay – often at the least opportune moments.

Using lease vehicles has been a Win-Win situation for the University and SFM: Winthrop gets a new fleet (over three years) and the goal of Centralization has taken a positive step forward.

Winthrop is also participating in a pilot program in cooperation with State Fleet to evaluate the use of backing cameras in cargo vans. As has often been repeated in the *Motor Vehicle Management Review* (from 2001 to the present day) and in *Focus on Fleet*, backing accidents are a common occurrence with vans, especially vans that have limited visibility out the back windows.

State Fleet implemented a Van Driver Safety Course several years ago that helped reduce the number of backing incidents. However, even the most skilled driver, no matter how well he reads the van's mirrors and other cues, can see through a solid door. This is the problem backing cameras were intended to solve.

The backing cameras were installed as the result of a clerical error by the dealer in the ordering of some vans for Winthrop's fleet. The vans that arrived were not the ones the University or SFM had requested: they had very limited visibility from the back windows.

However, rather than press the case all the way back to Detroit, so to speak, SFM Operations Team Leader Jimmy Lever persuaded Winthrop to accept the vans in hand and also try out some backing camera units for them. This arrangement brought the double benefit of helping SFM test the cameras and providing a solution to the visibility problem in the vans.

SFM plans to monitor the Accident Frequency Rate on these vans and look for other opportunities to use cameras where visibility is substantially obstructed.

Smooth Sailing for New Fleet

Winthrop University signs up for SFM Lease program



In 2005, the Budget and Control Board approved a Centralization plan for most cars, passenger vans and light trucks across State government. This plan was discussed in the last two issues of *Focus on Fleet*. Among the recommendations of the Centralization plan were the consolidation of some motor pools and maintenance facilities, and the suggestion that agencies take advantage of the State Fleet Management long-term vehicle lease program.

The situation at Winthrop University was an excellent case in point for many of the recommendations. Winthrop was faced with a very old fleet whose repair costs were continuing to rise. Older vehicles received expensive repair work that would not have been done if Winthrop could have replaced them instead.

Unfortunately the University did not have the capital available to replace 57 vehicles at once, or even over three years. Even 20 vehicles a year is a substantial outlay of cash.

Enter State Fleet Management and its leasing program. The problem of an aging fleet is no longer so pressing. State Fleet made the capital outlay for the necessary vehicles and is leasing them to Winthrop. The University winds up with new vehicles, but without the capital outlay.

David Rentschler, Director of Plant Operations and Maintenance, Facilities Management at Winthrop, gave his principal reason why the lease program was the best choice for the University.

"We switched because of the value," he said in an interview on 15 May. "We needed to replace the fleet, but didn't have the capital, and the lease program solved that problem. It would have cost

us \$575,000 over three years to replace the vehicles we were replacing, but will only cost us \$84,000 over the same period to lease them."

"Initially," he went on, "the leasing costs looked higher than keeping our own vehicles, but when I added in my accident costs, fuel costs and maintenance, it was an easy choice." All those costs are covered under the SFM lease.

Winthrop will retain ownership of a little under half its current fleet, mainly the more recent acquisitions, but the plan at this point is to replace the other 57 vehicles over the coming three years, including 38 by the end of next year. The first vehicles arrived on 19 November 2006.

Mr. Rentschler's view on the lease program are clear: "It makes me wonder why other agencies haven't tried it yet."

A Win-Win for Winthrop

While some fleet management personnel expressed reservations about the switch, Mr. Rentschler says most have since come to appreciate the decision taken.

"We had guys driving around in 20-year-old vans and trucks," he said. "Now they have new vehicles." He added that the technicians and others who use the new vehicles seem to feel better about their jobs. Giving an employee a new vehicle to use, he says, gives him a sense that the organization is taking care of them. Downtime has also been minimized because the newer vehicles rarely break

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New ADA Buses Entering Service

Four models to be tested this year by SFM, Lease Fleet Customers

Over the last five years, State Fleet Management has been phasing out its use of 15-passenger vans by attrition and replacing them with minibuses. As mentioned in the Fall 2002 edition of *Focus on Fleet*, 15-passenger vans present a significant risk of rollover accidents, especially when fully loaded.

Some of these buses must also be equipped to meet the federal Americans with Disabilities Act (ADA); these are referred to as ADA buses.

Over the next several months, State Fleet will take delivery of eight new ADA minibuses - two each of four different models. State Fleet will follow each of the buses carefully through service records



A new ADA bus at the State Fleet Facility in Columbia.

and analysis and use this information to decide which of the configurations tested should be the choice for future acquisitions. Customers will also be asked for their input regarding these vehicles.

THANK YOU

State Fleet Management sincerely appreciates the time and efforts of the following customers, all of whom helped us with our Process Improvement Project.

SFM Customers

SC Department of Public Safety

Sgt. Brian Phillips
Lt. Scott Watford
Glen Ashe

Department of Social Services

Regina Hanley

SC Department of Natural Resources

Lisa Jordan

SC Department of Commerce

Inez Benjamin

SC Department of Labor, Licensing and Regulation

Larry Ladue

SC Department of Revenue and Taxation

Gary Grooms

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Bessie Watson

Jo Wessinger

Internal Operations Finance

Kay Riley

Sam Jones

Chris Huffman

General Services Division

Scott Inkley

Hardy Merritt

Barbara Bailey

Linda Breedlove

Laura Baker

Linda Watts

State Fleet Management

All SFM employees participated in this process.

Sharpening the Saw

SFM undertakes Process Improvement Project to perfect business practices, customer service

Early in the morning of July 6, 2007, the Atrium Conference Room is abuzz with expectation. The people lining the horseshoe-shaped table are gathered for a thorough review of the business processes of State Fleet Management. The participants include leaders from the General Services Division and people from Internal Audit, as well as representatives from Internal Operations' business unit.

This is a long-term project. Although none of the participants know exactly how long it will take, the team will work for over eight months and review over a hundred processes in minute detail.

There is often a terrible temptation to fix everything when one of these things comes along. As they say, *When you have a hammer, everything looks like a nail*. One of the real keys to process improvement is to discern those things that ought to be left alone. As a wise man once wrote:

In the matter of reforming things, as distinct from deforming them, there is one plain and simple principle; a principle which will probably be called a paradox. There exists in such a case a certain institution or law; let us say, for the sake of simplicity, a fence or gate erected across a road. The more modern type of reformer goes gaily up to it and says, "I don't see the use of this; let us clear it away." To which the more intelligent type of reformer will do well to answer: "If you don't see the use of it, I certainly won't let you clear it away. Go away and think. Then, when you can come back and tell me that you do see the use of it, I may allow you to destroy it."

G. K. Chesterton, *The Thing*, 1929

In the past few years, the conclusions of two major studies showed that State Fleet Management was doing the right thing in its overall business model. Both the MAP Commission (the Governor's Management, Accountability and Performance Commission) in 2003 and the study by Mercury Associates in 2005 agreed that SFM follows industry best practices.

They further agreed that all passenger vehicles in the State should be centrally managed by State Fleet. The recommendation to centralize prompted State Fleet to make sure that its operations were the best they could be before undertaking the anticipated increase in business.

The basic business model employed by State Fleet Management follows industry best practices and should be replicated to the greatest extent practical across all agencies... The State should centralize the acquisition of light duty vehicles... State agencies should immediately relinquish "ownership" of these vehicles and transfer their management to SFM.

—Report on Fleet Management Operations for the State of South Carolina, *Mercury Associates*, 2005, page 9

State Fleet Management (SFM) is consistently recognized for providing the best in customer service. The SFM customer satisfaction scores were the highest of all of the MAP Commission surveys. Through this combination of cost-effective, customer-driven service functions and management oversight of the entire state fleet, it is estimated that savings are generated across State government that are well in excess of \$30,000,000 annually.

—MAP Commission Report, page 1

Over time, technology advances, the needs of our customers change and grow, and new knowledge and talents come into the agency. Even though SFM practices are sound, there is always room for improvement.

The team of professionals who led the process improvement sessions were invaluable to the outcome: Hardy Merritt, retired from the General Services Division, facilitated the sessions. Laura Baker and Linda Watts, both retired from SFM, also came back to aid in the process. The rest of the cast rotated based on the business at hand. Ultimately every employee of State Fleet Management was given a chance to discuss his or her processes with the committee, either alone or in concert with co-workers.

During processes involving other agencies or divisions, the committee invited customers from those agencies to take part in the process review. State Fleet sincerely appreciates the time these customers took from their busy schedules to help SFM perform this review.

The room was set up much like a classroom, with the facilitator and a large easel pad (and a dwindling supply of markers). Although Hardy was facilitating, the input came from the people who actually execute the processes. The facilitator's job was to ask questions to elicit both the details of the process and the bigger picture of what the process was meant to do, and whether it was actually doing what it was supposed to do.

Discussions were lively, as the many professionals who attended the meetings were not poor in opinion, nor were they stingy in expressing them. However frank the exchanges became, however, everyone had the same goal: improve the process.

Many of the larger changes were carried out on internal matters; however, customers will also notice some changes. Most prominent among those is the incipient Emergency Services Program (ESP), which will allow State drivers to contact the Commercial Vendor Repair Program outside normal working hours if they are faced with an emergency. While the details of this plan are still being worked out, the need for this capability was plain to see.

Exciting things are on the horizon for State Fleet Management. The Process Improvement Project was necessary in principle, but it has also helped to prepare the organization for the many changes to come as a result of the Centralization Plan.

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Garmin GPS Receiver sample screen.

Never get lost again!

Back in the 1970s there was a popular bumper sticker that read, "I never get lost... because everyone tells me where to go." Today State Fleet can say that, when you rent a Garmin GPS from our Motor Pool, you need never ask anyone to tell you where to go.

The Garmin GPS receiver, pictured above, gives street directions by communicating with the Global Positioning System satellites and relaying directions to the user. It is easy to use and can save many headaches and delays due to poor directions or adverse weather.

Currently the Motor Pool has only one of these stellar devices. It rents for \$1 a day with any motor pool rental. For more information, or to reserve a motor pool vehicle, visit our Web site at http://www.sc.edu/vmps/sfm_rq.htm.

If you don't have access to a computer, you can request a reservation by phone at (803) 737-1516 or via fax at (803) 737-1931.

CVRP Adding Staff

The Commercial Vendor Repair Program will be adding a new Procurement Specialist soon. This decision was taken in response to the increased volume of units the CVRP supports. The CVRP has added a number of new agencies during the last year.

CVRP leadership informs us that they hope to have the new person in place by the middle of June 2007.

In the Summer 2007

Focus on Fleet:

- More on the upcoming Management Information System
- Staff News
- Centralization Progress Report